



DEPARTMENT OF COMMERCE

International Trade Administration

[A-552-812, A-583-849]

Steel Wire Garment Hangers from the Socialist Republic of Vietnam and Taiwan: Initiation of Antidumping Duty Investigations

AGENCY: Import Administration, International Trade Administration, Department of Commerce

EFFECTIVE DATE: [Insert date of publication in the Federal Register.]

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SUPPLEMENTARY INFORMATION:

Petitions

On December 29, 2011, the Department of Commerce (the “Department”) received antidumping duty (“AD”) petition concerning imports of steel wire garment hangers from Vietnam and Taiwan filed in proper form on behalf of M&B Metal Products Company, Inc.; Innovative Fabrication LLC / Indy Hanger; and US Hanger Company, LLC (collectively, “Petitioners”).^{1,2} On January 5, 2012, the Department issued a request for additional information and clarification of certain areas of the Petitions. On January 10, 2012, Petitioners filed a response with respect to general questions about information in the Petitions

¹ See “Petitions for the Imposition of Antidumping Duties on Steel Wire Garment Hangers from Taiwan and Antidumping and Countervailing Duties on Steel Wire Garment Hangers from the Socialist Republic of Vietnam,” filed on December 29, 2011 (the “Petitions”).

² A countervailing duty (“CVD”) petition was also filed on steel wire garment hangers from Vietnam.

(“Supplement to the AD/CVD Petitions”). On January 11, 2012, Petitioners also filed responses specific to the Vietnam and Taiwan AD Petition (hereinafter, “Supplement to Vietnam Petition,” and “Supplement to the Taiwan Petition,” respectively). On January 11, 2012, Petitioners also filed a revision to the proposed scope language (“Second Scope Revision”).

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the “Act”), Petitioners allege that imports of steel wire garment hangers from Vietnam and Taiwan are being, or are likely to be, sold in the United States at less than fair value, within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, an industry in the United States.

The Department finds that Petitioners filed the Petitions on behalf of the domestic industry because Petitioners are interested parties as defined in section 771(9)(C) of the Act and have demonstrated sufficient industry support with respect to the antidumping duty investigations that Petitioners are requesting that the Department initiate (see “Determination of Industry Support for the Petitions” section below).

Period of Investigation

The period of investigation (“POI”) for the investigation involving Vietnam is April 1, 2011, through September 30, 2011. The POI for the investigation involving Taiwan is October 1, 2010, through September 30, 2011.³

Scope of Investigations

The product covered by these investigations is steel wire garment hangers from Vietnam and Taiwan. For a full description of the scope of the investigations, please see the “Scope of the Investigations,” in Appendix I of this notice.

³ See 19 CFR 351.204(b)(1).

Comments on Scope of Investigations

During our review of the Petitions, we discussed the scope with Petitioners to ensure that it is an accurate reflection of the products for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the Department's regulations (Antidumping Duties; Countervailing Duties; Final Rule, 62 FR 27296, 27323 (May 19, 1997)), we are setting aside a period for interested parties to raise issues regarding product coverage. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and to consult with parties prior to the issuance of the preliminary determinations. The Department encourages all interested parties to submit such comments by February 7, 2012, twenty calendar days from the signature date of this notice. All comments must be filed on the records of Vietnam and Taiwan antidumping duty investigations as well as Vietnam countervailing duty investigation. Comments should be filed electronically using Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). An electronically filed document must be received successfully in its entirety by the Department's electronic records system, IA ACCESS. Documents excepted from the electronic submission requirements must be filed manually (i.e., in paper form) with the APO/Dockets Unit in Room 1870 and stamped with the date and time of receipt by the deadline noted above.

Comments on Product Characteristics for Antidumping Duty Questionnaires

We are requesting comments from interested parties regarding the appropriate physical characteristics of steel wire garment hangers to be reported in response to the Department's antidumping questionnaires. This information will be used to identify the key physical characteristics of the subject merchandise in order to more accurately report the relevant factors and costs of production, as well as to develop appropriate product comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate listing of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as (1) general product characteristics and (2) the product comparison criteria. We note that it is not always appropriate to use all product characteristics as product comparison criteria. We base product comparison criteria on meaningful commercial differences among products. In other words, while there may be some physical product characteristics utilized by manufacturers to describe steel wire garment hangers, it may be that only a select few product characteristics that take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in product matching. Generally, the Department attempts to list the most important physical characteristics first and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the antidumping duty questionnaires, we must receive comments by February 7, 2012. Additionally, rebuttal comments must be received by February 14, 2011. All comments must be filed on the records of the Vietnam and Taiwan antidumping duty investigations. All comments and submissions to the Department must be filed electronically using IA ACCESS, as referenced above.

Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or

opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the industry.

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission (“ITC”), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product (see section 771(10) of the Act), they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department’s determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.⁴

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (i.e., the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, Petitioners do not offer a definition of domestic

⁴ See *USEC, Inc. v. United States*, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp. v. United States*, 688 F. Supp. 639, 644 (CIT 1988)).

like product distinct from the scope of the investigations. Based on our analysis of the information submitted on the record, we have determined that steel wire garment hangers constitute a single domestic like product and we have analyzed industry support in terms of that domestic like product. For a discussion of the domestic like product analysis in this case, see “Antidumping Duty Investigation Initiation Checklist: Steel Wire Garment Hangers from Taiwan” (“Taiwan AD Checklist”) at Attachment II; “Antidumping Duty Investigation Initiation Checklist: Steel Wire Garment Hangers from Vietnam” (“Vietnam AD Checklist”) at Attachment II, on file electronically in the Central Records Unit (room 7046 at Herbert C Hoover Building) via IA ACCESS.

In determining whether Petitioners have standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petitions with reference to the domestic like product as defined in the “Scope of Investigations,” in Appendix I of this notice. To establish industry support, Petitioners provided their production as well as supporters’ production of the domestic like product in 2010, and compared this to the estimated total production of the domestic like product for the entire domestic industry. To estimate total 2010 production of the domestic like product, Petitioners used their own data and industry specific knowledge. We have relied upon data Petitioners provided for purposes of measuring industry support. For further discussion, see Taiwan AD Checklist at Attachment II and Vietnam AD Checklist at Attachment II.

Our review of the information provided in the Petitions, supplemental submissions, and other information readily available to the Department indicates that Petitioners have established industry support. First, the Petitions established support from domestic producers accounting for more than 50 percent of the total production of the domestic like product and, as such, the Department is not required to take further action in order to evaluate industry support (e.g.,

polling).⁵ Second, the domestic producers have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers who support the Petitions account for at least 25 percent of the total production of the domestic like product.⁶ Finally, the domestic producers have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers who support the Petitions account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petitions.⁷ Accordingly, the Department determines that the Petitions were filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.⁸

The Department finds that the Petitioners filed the Petitions on behalf of the domestic industry because they are interested parties as defined in section 771(9)(C) of the Act and they have demonstrated sufficient industry support with respect to the antidumping duty investigations they are requesting the Department initiate.⁹

Allegations and Evidence of Material Injury and Causation

Petitioners allege that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value (“NV”). In addition, Petitioners allege that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.

Petitioners contend that the industry’s injured condition is illustrated by reduced market share, reduced shipments, reduced capacity, underselling and price depression or suppression, a decline in financial performance, lost sales and revenue, an increase in import penetration, and

⁵ See section 732(c)(4)(D) of the Act; see also Taiwan AD Checklist at Attachment II and Vietnam AD Checklist at Attachment II.

⁶ See Taiwan AD Checklist at Attachment II and Vietnam AD Checklist at Attachment II.

⁷ See id.

⁸ See id.

⁹ See id.

threat of future injury.¹⁰ We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation.¹¹

Allegations of Sales at Less Than Fair Value

The following is a description of the allegations of sales at less than fair value upon which the Department based its decision to initiate these investigations of imports of steel wire garment hangers from Vietnam and Taiwan. The sources of data for the deductions and adjustments relating to the U.S. price, the factors of production (“FOPs”) (for Vietnam) and cost of production (“COP”) (for Taiwan) are also discussed in the country-specific initiation checklists.¹²

Export Price

Vietnam

For Vietnam, Petitioners calculated export price (“EP”) based on offers for sale of steel wire garment hangers by certain Vietnamese exporters/resellers and declarations of lost U.S. sales by U.S. producers during the POI, as identified in four “Declarations Regarding Lost U.S. Sales.”¹³ Based on the stated sales and delivery terms, Petitioners deducted adjustments, charges and expenses associated with exporting and delivering to the U.S. customer, where appropriate.¹⁴ Petitioners made no other adjustments.¹⁵

Taiwan

For Taiwan, Petitioners based U.S. EP on a declaration of lost U.S. sales of three major

¹⁰ See Taiwan AD Checklist at Attachment III and Vietnam AD Checklist at Attachment III.

¹¹ See *id.*

¹² See Vietnam AD Checklist at 6-9 and Taiwan AD Checklist at 6-8.

¹³ See Vietnam AD Checklist at 6; see also Volume III of the Petitions at III-5 and Exhibit III-4.

¹⁴ See Vietnam AD Checklist at 6; see also Volume III of the Petitions at III-5 and Exhibit III-5, and Supplement to Vietnam Petition at Attachment III-9

¹⁵ See Vietnam AD Checklist for additional details.

types of steel wire garment hangers by U.S. producers and the average unit value (“AUV”) for U.S. Harmonized Tariff Schedule (“USHTS”) 7326.20.0020, described as “garment wire hangers of iron or steel,” during the POI. The lost sales are supported by affidavits.¹⁶ Based on the stated sales and delivery terms, Petitioners deducted from these prices the adjustments, charges, and expenses associated with exporting and delivering the product to the U.S. customer, including ocean freight and insurance, U.S. duties and U.S. inland freight charges, and distributor mark-up, where appropriate.¹⁷

Normal Value

Vietnam

Petitioners state that the Department has long treated Vietnam as a non-market economy (“NME”) country and this designation remains in effect today.¹⁸ In accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in effect until revoked by the Department. The presumption of NME status for Vietnam has not been revoked by the Department and, therefore, remains in effect for purposes of the initiation of Vietnam investigation. Accordingly, the NV of the product for Vietnam investigation is appropriately based on FOPs valued in a surrogate market-economy (“ME”) country in accordance with section 773(c) of the Act. In the course of the Vietnam investigation, all parties, including the public, will have the opportunity to provide relevant information related to the issue of Vietnam’s NME status and the granting of separate rates to individual exporters.

Petitioners claim that India is an appropriate surrogate country under 19 CFR 351.408(a)

¹⁶ See Taiwan AD Checklist at 6; see also Volume II of the Petitions at II-4 and Exhibits II-4.

¹⁷ See id.

¹⁸ See Volume III of the Petitions at III-1 through III-3; see also Circular Welded Carbon-Quality Steel Pipe From India, the Sultanate of Oman, the United Arab Emirates, and the Socialist Republic of Vietnam: Initiation of Antidumping Duty Investigations, 76 FR 72164, 72167 (November 22, 2011); see also Certain Frozen Warmwater Shrimp From the Socialist Republic of Vietnam: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review, 76 FR 56158, 56160 (September 12, 2011).

because it is an ME country that is at a comparable level of economic development to Vietnam and surrogate values data from India are available and reliable. Petitioners also believe that India is a significant producer of comparable merchandise. Petitioners are not aware of significant production of steel wire garment hangers among other potential surrogate countries, such as Bangladesh, the Philippines, Indonesia, Sri Lanka, and Pakistan.¹⁹ Based on the information provided by Petitioners, we believe that it is appropriate to use India as a surrogate country for initiation purposes. After initiation of the investigation, interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs within 40 days after the date of publication of the preliminary determination.

Petitioners calculated the NV and dumping margins for the U.S. price, discussed above, using the Department's NME methodology as required by 19 CFR 351.202(b)(7)(i)(C) and 19 CFR 351.408. Petitioners calculated NV based on consumption rates experienced by U.S. producers.²⁰ Petitioners assert that, to the best of Petitioners' knowledge, the consumption rates of the domestic producers are very similar, if not identical, to the consumption of Vietnamese producers.²¹

Petitioners valued by-products and most FOPs based on reasonably available, public surrogate country data, specifically, Indian import statistics from the Global Trade Atlas ("GTA").²² Petitioners excluded from these import statistics values from countries previously determined by the Department to be NME countries, and from Indonesia, the Republic of Korea and Thailand, as the Department has previously excluded prices from these countries because

¹⁹ See Volume III of the Petitions at III-2 through III-3.

²⁰ See Volume III of the Petitions at III-3 through III-4.

²¹ See Volume III of the Petitions at III-3 through III-4 and Exhibits III-2 and III-3, and Supplement to Vietnam Petition at (Supp-III)-4, Attachment III-3, and Attachment III-8.

²² See Volume III of the Petitions at III-4 and Exhibit III-2; see also Supplement to Vietnam Petition at Petition at Attachment III-5.

they maintain broadly available, non-industry-specific export subsidies. Finally, imports that were labeled as originating from an “unspecified” country were excluded from the average value, because the Department could not be certain that they were not from either an NME country or a country with generally available export subsidies.²³ For valuing other FOPs, Petitioners used sources selected by the Department in recent proceedings involving Vietnam or publically available sources from India.²⁴ In addition, Petitioners made Indian Rupee/U.S. dollar (“USD”) currency conversions using average exchange rates for the POI, based on Federal Reserve exchange rates.²⁵

Petitioners determined labor costs using the labor consumption rates derived from U.S. producers.²⁶ Petitioners valued labor costs using the calculated wage rate in a recent review involving steel wire garment hangers from the People’s Republic of China.²⁷

Petitioners determined electricity costs using the electricity consumption rates, in kilowatt hours, derived from one U.S. producer’s experience.²⁸ Petitioners valued electricity using the Indian electricity rate reported by the Central Electric Authority of the Government of India.²⁹

Petitioners determined water costs using the water consumption derived from one U.S.

²³ See, e.g., Polyethylene Terephthalate Film, Sheet, and Strip from the People’s Republic of China: Preliminary Determination of Sales at Less Than Fair Value, 73 FR 24552, 24559 (May 5, 2008), unchanged in Polyethylene Terephthalate Film, Sheet, and Strip from the People’s Republic of China: Final Determination of Sales at Less Than Fair Value, 73 FR 55039 (September 24, 2008) (“PET Film”); see also Volume III of the Petitions at III-4 and Exhibit III-2, and Supplement to Vietnam Petition at Attachment III-1.

²⁴ See Volume III of the Petitions at III-4 and Exhibit III-2; see also Supplement to Vietnam Petition at Attachment III-1.

²⁵ See Volume III of the Petitions at III-4 and Exhibit III-3, and Supplement to Vietnam Petition at (Supp-III)-2, and Attachment III-4.

²⁶ See Volume III of the Petitions at Exhibit III-3.

²⁷ See Steel Wire Garment Hangers From the People’s Republic of China: Preliminary Results and Preliminary Rescission, in Part, of the Second Antidumping Duty Administrative Review, 76 FR 66903, 66910 (October 28, 2011) (citing Memorandum to the File through Catherine Bertrand, Program Manager, Office 9, from Bob Palmer, Case Analyst, Office 9 re: “Second Administrative Review of Steel Wire Garment Hangers from the People’s Republic of China: Surrogate Values for the Preliminary Results,” dated October 24, 2011, at 1, Exhibit 12, and Exhibit 13); see also, See Supplement to Vietnam Petition at (Supp-III)-1, and Attachment III-1.

²⁸ See Volume III of the Petitions at Exhibit III-3, Supplement to Vietnam Petition at Attachment III-8.

²⁹ See Supplement to Vietnam Petition at Attachment III-1.

producer's experience.³⁰ Petitioners valued water based on publically available information from the Maharashtra Industrial Development Corporation.³¹

Petitioners determined natural gas costs using the natural gas consumption rates derived from one U.S. producer's experience.³² Petitioners valued natural gas costs using GTA import statistics.³³

Petitioners based factory overhead, selling, general and administrative ("SG&A"), and profit on data from Sterling Tools Limited ("Sterling"), an Indian producer of comparable merchandise.³⁴ Therefore, because Sterling is a producer of comparable merchandise, the Department finds that Petitioners' use of Sterling's financial ratios appropriate.³⁵

Petitioners determined packing material costs using the consumption rates derived from U.S. producers' experience.³⁶ Petitioners valued packing materials using GTA India import statistics.³⁷

Thus, the Department determines that the surrogate values used by Petitioners are reasonably available and, thus, acceptable for purposes of initiation.

Taiwan

NV Based on Constructed Value ("CV")

Petitioners used CV to estimate NV because home market or third country pricing was not reasonably available.³⁸ When such information is unavailable the Department may use CV to estimate NV. In accordance with section 773(e)(1) of the Act, Petitioners based constructed

³⁰ See Volume III of the Petitions at Exhibit III-3, Supplement to Vietnam Petition at Attachment III-8.

³¹ See Supplement to Vietnam Petition at Attachment III-1.

³² See Volume III of the Petitions at Exhibit III-3, Supplement to Vietnam Petition at Attachment III-8.

³³ See Volume III of the Petitions at Exhibit III-2 and Supplement to Vietnam Petition at Attachment III-6.

³⁴ See Volume III of the Petition at III-4 through III-5, Exhibit III-2, and Supplement to Vietnam Petition at Attachment III-2.

³⁵ See 19 CFR 351.408(4).

³⁶ See Volume III of the Petition, at Exhibit III-1, Supplement to Vietnam Petition at Attachment III-8.

³⁷ See Volume III of the Petitions at Exhibit III-2.

³⁸ Petitioners documented its attempts to obtain such information. See Volume II of the Petition at II-2.

value on actual consumption of direct materials, direct labor, energy, overhead, and general expenses, plus amounts for profit and packing, for several major types of steel wire garment hangers.³⁹

Petitioners assert that, according to the best available information, Taiwanese producers of hangers utilize similar production methods as U.S. producers to produce subject merchandise. As a result, Petitioners used the actual consumption rates of M&B Metal Products Inc., one of the Petitioners, to provide a reasonable basis from which to estimate the costs for the Taiwanese producers of hangers. No adjustments were made between Petitioners' production process and the process employed by Taiwanese producers because the production of steel wire garment hangers for both is very similar.⁴⁰ Petitioners calculated raw materials, labor, energy, and packing based on its own production experience using publically available data.⁴¹ Petitioners provided financial statements from China Steel Corporation, a Taiwanese manufacturer of steel products, for the calculation of factory overhead, SG&A and profit.⁴²

Fair Value Comparisons

Based on the data provided by Petitioners, there is reason to believe that imports of steel wire garment hangers from Vietnam and Taiwan are being, or are likely to be, sold in the United States at less than fair value. Based on a comparison of EPs and NV calculated, in accordance with section 773(c) of the Act, the estimated dumping margins for steel wire garment hangers from Vietnam range from 117.48 percent to 220.68 percent.⁴³ Based on a comparison of EPs and CV calculated in accordance with section 773(a)(4) of the Act, the estimated dumping

³⁹ See Taiwan AD Checklist at 7-8; see also Volume II of the Petition at II-2 though 4 and Exhibit II-1.

⁴⁰ See Taiwan AD Checklist at 7; see also Volume II of the Petition at II-3 and Exhibit II-1.

⁴¹ See Taiwan AD Checklist at 7-8; see also Volume II of the Petition at II-3 and Exhibit II-2 and Volume II Supplemental at Attachments II-2, II-3, and II-4.

⁴² See Taiwan AD Checklist at 8; see also Volume II of the Petition at II-3 through 4 and Exhibit II-2 and Volume II Supplemental at Attachments II-7 and Attachments II-8.

⁴³ See Vietnam AD Checklist at 9 and Appendix V.

margins for steel wire garment hangers from Taiwan range from 18.90 percent to 125.43 percent.⁴⁴

Initiation of Antidumping Investigations

Based upon the examination of the Petitions on steel wire garment hangers from Vietnam and Taiwan, the Department finds that the Petitions meet the requirements of section 732 of the Act. Therefore, we are initiating antidumping duty investigations to determine whether imports of steel wire garment hangers from Vietnam and Taiwan are being, or are likely to be, sold in the United States at less than fair value. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determinations no later than 140 days after the date of these initiations.

Targeted Dumping Allegations

On December 10, 2008, the Department issued an interim final rule for the purpose of withdrawing 19 CFR 351.414(f) and (g), the regulatory provisions governing the targeted dumping analysis in antidumping duty investigations, and the corresponding regulation governing the deadline for targeted dumping allegations, 19 CFR 351.301(d)(5).⁴⁵ The Department stated that “{w}ithdrawal will allow the Department to exercise the discretion intended by the statute and, thereby, develop a practice that will allow interested parties to pursue all statutory avenues of relief in this area.”⁴⁶

In order to accomplish this objective, if any interested party wishes to make a targeted dumping allegation in either of these investigations pursuant to section 777A(d)(1)(B) of the Act, such allegations are due no later than 45 days before the scheduled date of the country-specific

⁴⁴ See Taiwan AD Checklist at 9 and Attachment V; see also Volume II of Petitions, at II-5, and Exhibit II-4, and Volume II Supplemental at (Supp II)-6, and Attachment II-10.

⁴⁵ See Withdrawal of the Regulatory Provisions Governing Targeted Dumping in Antidumping Duty Investigations, 73 FR 74930 (December 10, 2008).

⁴⁶ See id., at 74931.

preliminary determination.

Respondent Selection and Quantity and Value Questionnaire

Vietnam

The Department will request quantity and value information from all known exporters and producers identified in the Petitions.⁴⁷ The quantity and value data received from Vietnamese exporters/producers will be used as the basis to select the mandatory respondents. The Department requires that the respondents submit a response to both the quantity and value questionnaire and the separate-rate application by the respective deadlines in order to receive consideration for separate-rate status.⁴⁸

In addition, the Department will post the quantity and value questionnaire along with the filing instructions on the Import Administration website (<http://ia.ita.doc.gov/ia-highlights-and-news.html>). Exporters and producers of steel wire garment hangers that do not receive quantity and value questionnaires but intend to submit a response can obtain a copy from the Import Administration website. The quantity and value questionnaire must be submitted by all Vietnamese exporters/producers no later than February 8, 2012, 21 days after the signature date of this Federal Register notice.

Taiwan

Following standard practice in AD investigations involving ME countries, the Department intends to select respondents based on U.S. Customs and Border Protection (“CBP”) data for U.S. imports under the HTSUS numbers 7326.20.0020 and 7323.99.908. We intend to release the CBP data under Administrative Protective Order (“APO”) to all parties with access to

⁴⁷ See Volume I of Petitions, at Exhibit I-8.

⁴⁸ See Circular Welded Austenitic Stainless Pressure Pipe from the People’s Republic of China: Initiation of Antidumping Duty Investigation, 73 FR 10221, 10225 (February 26, 2008); Initiation of Antidumping Duty Investigation: Certain Artist Canvas From the People’s Republic of China, 70 FR 21996, 21999 (April 28, 2005).

information protected by APO within five days of publication of this Federal Register notice and make our decision regarding respondent selection within 20 days of publication of this notice.

The Department invites comments regarding the CBP data and respondent selection within seven days of publication of this Federal Register notice.

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. Instructions for filing such applications may be found on the Department's website at <http://ia.ita.doc.gov/apo>.

Separate Rates in the Vietnam Investigation

In order to obtain separate-rate status in NME investigations, exporters and producers must submit a separate-rate status application.⁴⁹ Based on our experience in processing the separate-rate applications in previous antidumping duty investigations, we have modified the application for this investigation to make it more administrable and easier for applicants to complete.⁵⁰ The specific requirements for submitting the separate-rate application in this investigation are outlined in detail in the application itself, which will be available on the Department's website at <http://ia.ita.doc.gov/ia-highlights-and-news.html> on the date of publication of this initiation notice in the Federal Register. The separate-rate application will be due 60 days after publication of this initiation notice. For exporters and producers who submit a separate-rate status application and subsequently are selected as mandatory respondents, these exporters and producers will no longer be eligible for consideration for separate rate status unless they respond to all parts of the questionnaire as mandatory respondents. As noted in the "Respondent Selection" section above, the Department requires that Vietnam respondents submit

⁴⁹ See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations Involving Non-Market Economy Countries (April 5, 2005) ("Separate Rates and Combination Rates Bulletin"), available on the Department's website at <http://ia.ita.doc.gov/policy/bull05-1.pdf>.

⁵⁰ See, e.g., Initiation of Antidumping Duty Investigation: Certain New Pneumatic Off-the-Road Tires From the People's Republic of China, 72 FR 43591, 43594-95 (August 6, 2007).

a response to both the quantity and value questionnaire and the separate-rate application by the respective deadlines in order to receive consideration for separate-rate status. The quantity and value questionnaire will be available on the Department's website at <http://ia.ita.doc.gov/ia-highlights-and-news.html> on the date of the publication of this initiation notice in the Federal Register.

Use of Combination Rates in the Vietnam Investigation

The Department will calculate combination rates for certain respondents that are eligible for a separate rate in this investigation. The Separate Rates and Combination Rates Bulletin states:

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME investigations will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of "combination rates" because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation.⁵¹

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), copies of the public versions of the Petitions have been provided to the representatives of the Governments of Vietnam and Taiwan. Because of the large number of producers/exporters identified in the Petitions, the Department considers the service of the public version of the Petitions to the foreign producers/exporters satisfied by the delivery of the public versions of the Petitions to the Governments of Vietnam and Taiwan, consistent with 19 CFR 351.203(c)(2).

⁵¹ See Separate Rates and Combination Rates Bulletin, at 6 (emphasis added).

ITC Notification

We have notified the ITC of our initiations, as required by section 732(d) of the Act.

Preliminary Determinations by the ITC

The ITC will preliminarily determine, no later than February 12, 2012, whether there is a reasonable indication that imports of steel wire garment hangers from Vietnam and Taiwan are materially injuring, or threatening material injury to a U.S. industry. A negative ITC determination with respect to any country will result in the investigation being terminated for that country; otherwise, these investigations will proceed according to statutory and regulatory time limits.

Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305(b). On January 22, 2008, the Department published Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures, 73 FR 3634 (January 22, 2008). Parties wishing to participate in these investigations should ensure that they meet the requirements of these procedures (e.g., the filing of letters of appearance as discussed at 19 CFR 351.103(d)).

Any party submitting factual information in an AD/CVD proceeding must certify to the accuracy and completeness of that information.⁵² Parties are hereby reminded that revised certification requirements are in effect for company/government officials as well as their representatives in all segments of any AD/CVD proceeding initiated on or after March 14, 2011.⁵³ The formats for the revised certifications are provided at the end of the Interim Final

⁵² See section 782(b) of the Act.

⁵³ See Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings: Interim Final Rule, 76 FR 7491 (February 10, 2011) (“Interim Final Rule”) (amending 19 CFR 351.303(g)(1) & (2)), as supplemented by Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings: Supplemental Interim Final Rule, 76 FR 54697 (September 2,

Rule and the Supplemental Interim Final Rule. The Department intends to reject factual submissions in any proceeding segments initiated on or after March 14, 2011, if the submitting party does not comply with the revised certification requirements.

This notice is issued and published pursuant to section 777(i) of the Act.

Paul Piquado
Assistant Secretary
for Import Administration

January 18, 2012
Date

Appendix I

Scope of the Investigations

The merchandise subject to these investigations is steel wire garment hangers, fabricated from carbon steel wire, whether or not galvanized or painted, whether or not coated with latex or epoxy or similar gripping materials, and/or whether or not fashioned with paper covers or capes (with or without printing) and/or nonslip features such as saddles or tubes. These products may also be referred to by a commercial designation, such as shirt, suit, strut, caped, or latex (industrial) hangers.

Specifically excluded from the scope of these investigations are (a) wooden, plastic, and other garment hangers that are not made of steel wire; (b) steel wire garment hangers with swivel hooks; (c) steel wire garment hangers with clips permanently affixed; and (d) chrome plated steel wire garment hangers with a diameter of 3.4 mm or greater.

The products subject to these investigations are currently classified under U.S. Harmonized Tariff Schedule (“USHTS”) subheadings 7326.20.0020 and 7323.99.9080. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

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